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# NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 6 No. 10
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## New Mexico General Fund: Review and Outlook

One of the most pressing issues facing the New Mexico economy today is the resolution of the state's fiscal crisis. The state general fund receives revenues primarily from gross receipts and selective sales taxes, income taxes, designated severance taxes, rents and royalties and interest earnings. Total recurring revenues to the general fund in FY84–85 were $1.3 billion, with almost 70.0 percent of this going to finance public and higher education in New Mexico.

During the mid-70s and early 80s New Mexico general fund revenues and expenditures grew quite rapidly, reflecting the surge in revenues associated with energy taxes, a strong state economy and rising inflation. In the six years between FY74–75 and FY80–81 recurring general fund revenues increased at an average annual rate of 17.1 percent. During the same time recurring general fund expenditures increased at an average annual rate of 15.4 percent. With revenue growth outstripping expenditure growth, the state was accumulating sizeable cash balances.

Rather than accumulating additional cash balances or increasing the level of state expenditures, the State Legislature passed the so-called "Big Mac" tax bill in 1981. Tax cuts were approved in the state's gross receipts tax, property tax, and individual income tax. The total reduction in tax collections in the first fiscal year after implementation (FY81–82) was estimated at $194.8 million; by the third year (FY83–84) the revenue loss was estimated at $262.5 million.

In hindsight, the 1981 state tax cuts could not have come at a more inopportune moment. The U.S. economy was entering its worst downturn since the Depression of the 1930s; New Mexico's economy was weakening as total state nonagricultural employment fell in 1982 for the first time in 21 years; oil prices began to fall from their peak levels of $35/barrel; and inflation, which had been growing at double-digit rates, moderated to the 4–5 percent range.

In FY82–83 recurring general fund revenues actually fell 7.2 percent, while recurring expenditures increased 10.05 percent. Beginning in FY82–83 recurring general fund expenditures exceeded recurring general fund revenues, marking the beginning of New Mexico's fiscal crisis—a situation which has continued ever since. The gap between recurring expenditures and revenues was filled temporarily by non-recurring revenues and cash balances. In particular, in FY82–83 the state received a windfall $259.8 million settlement of a tax dispute with the U.S. Department of Energy.

Based upon current estimates an $81.7 million gap between expenditures and revenues exists again for FY85–86. The state general fund entered FY85–86 with cash reserves of $112.3 million. The estimate of cash reserves by the end of FY85–86 is a dangerously low $36.7 million. Clearly, New Mexico's ability to solve its fiscal crisis by spending down its cash balances has come to an end.

An examination of the changing revenue base of the New Mexico general fund over the last fifteen years provides a revealing perspective. Back in FY71–72 the general fund received almost 75.0 percent of its revenue from broad-based taxes—gross receipts taxes, selective excise taxes, and corporate and individual income taxes. By FY81–82 (just after the "Big Mac" tax cut) broad-based taxes provided only 42.0 percent of general fund revenue.

The erosion of the broad-based tax base came as energy-based taxes and interest earnings grew markedly in importance. In FY71–72 energy-based taxes provided only 9.7 percent of general fund revenue; by FY81–82 this revenue source had grown to provide 34.4 percent of general fund revenue. Interest earnings accounted for only 6.1 percent of general fund revenue back in FY71–72, but in FY81–82 accounted for 21.2 percent. Energy-based taxes and interest earnings combined represented 55.6 percent of general fund revenue in FY81–82.

Energy prices and production, as well as interest rates, have recently become volatile and difficult to predict, making almost 50.0 percent of the general fund revenue base an unstable and unpredictable revenue source. New Mexico's general fund, which finances public and higher education, has become too dependent upon unreliable revenue sources.

The broad-based taxes respond to the growth in the state's economy, and the rate of inflation. The prospects for the state's economy to the year 1990 do not look promising, since there will be the negative effects of falling oil and natural gas prices as well as a generally weak national economy. In particular, 1986 should be a difficult year with oil prices expected to fall to $24/barrel and the national economy skirting very close to recession. Inflation will remain quite mild with the consumer price index not expected to exceed 5.0 percent per year through 1990.

According to Data Resources, Inc., by 1990 oil prices are expected to be only $25.16/barrel after having fallen as low as $23/barrel, and natural gas prices will still be 10.0 percent below current levels. New Mexico's production of oil has been in secular decline since the early 1970s due to declining petroleum reserves. New Mexico natural gas production has been flat since the early 1970s, although recent adverse market conditions have resulted in a 17 percent decline since 1982. Thus, the prospects

(continued on page 8)


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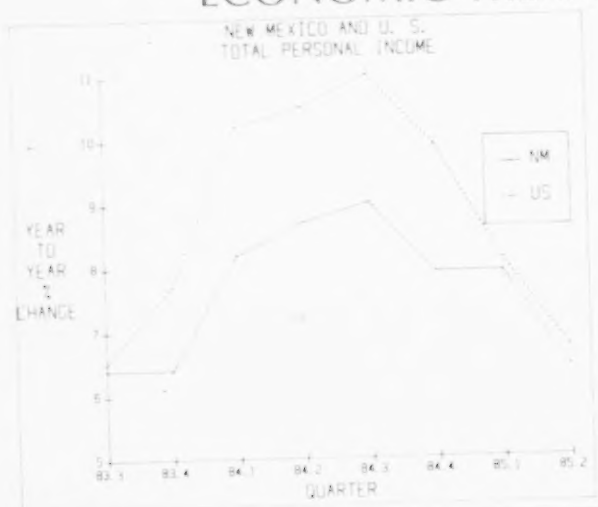
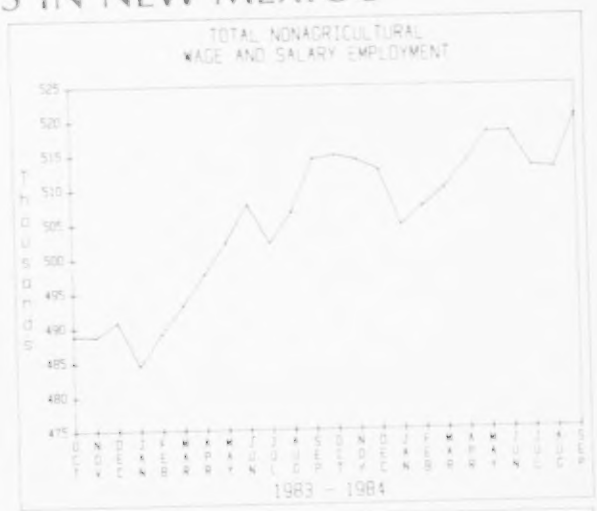
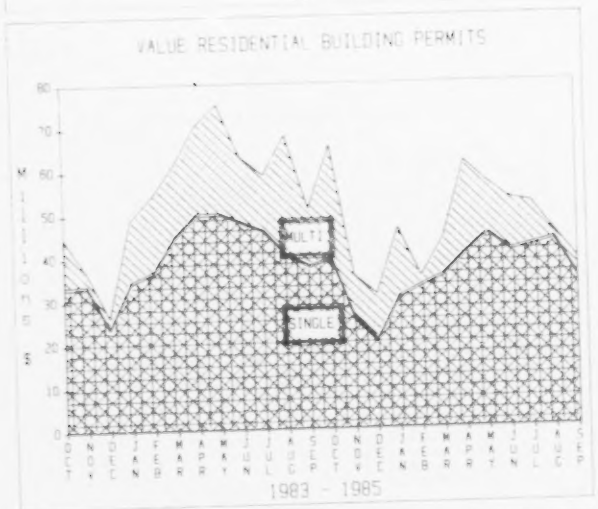
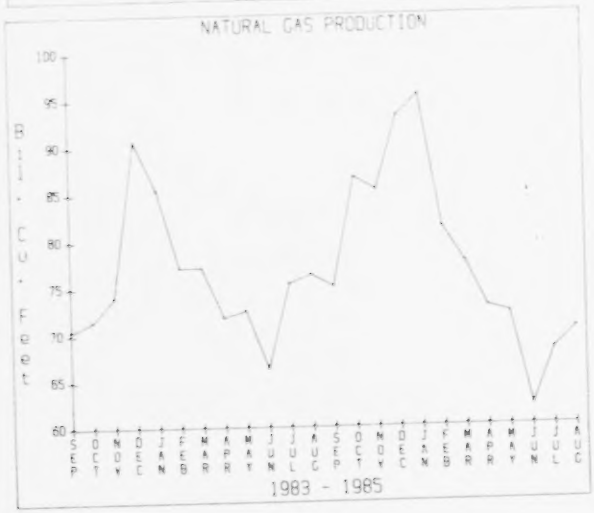
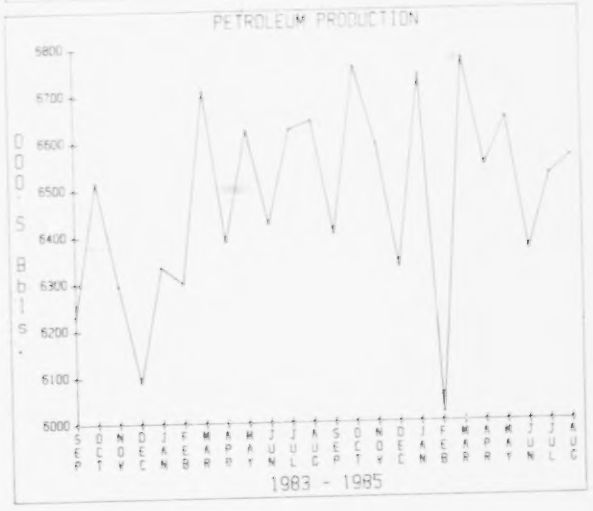
# ECONOMIC TRENDS IN NEW MEXICO





# U.S. ECONOMIC INDICATORS

| | MO/QTR | CURRENT DATA | % CHANGE YEAR AGO | PREVIOUS MO./QTR DATA |
|---|---|---|---|---|
| Consumer price index | | | | |
| All urban consumers (1967=100) | | | | |
| All items | Sept. | 324.9 | [illegible] | 323.5 |
| Food and beverages | Sept. | 322.1 | 3.2 | 321.8 |
| Housing | Sept. | 353.8 | 4.5 | 352.9 |
| Apparel and upkeep | Sept. | 299.6 | 2.4 | 299.3 |
| Transportation | Sept. | 329.7 | 3.4 | 329.3 |
| Medical care | Sept. | 408.3 | 6.6 | 405.6 |
| Entertainment | Sept. | 268.8 | 4.[illegible] | 268.7 |
| Other goods and services | Sept. | 333.4 | 6.9 | 330.0 |
| Revised series, wage earners and clerical workers (1967=100) | | | | |
| All items | Sept. | 309.9 | 3.1 | 309.6 |
| Gross national product* (SBIL, constant) | 3Qtr/2 | 1089.8 | [illegible] | 1077.5 |
| Prime interest rate** (% per annum) | Sept. | 9.5 | -[illegible] | 9.5 |
| Mortgage interest rate*** (% per annum) | Aug. | 11.2 | +0.1 | 11.1 |
| 3 month treasury bill# (% per annum) | Sept. | 7.1 | -[illegible] | [illegible] |
| Industrial production## (1977=100) | Aug. | 126.8 | 1.3 | 126.4 |
| Manufacturers new orders## (SBIL) | July | 505.9 | [illegible] | 498.1 |

# NEW MEXICO AND U.S. COMPARISONS

| | | NEW MEXICO | | | UNITED STATES | | |
|---|---|---|---|---|---|---|---|
| | CURRENT QTR/MO | CURRENT MO/QTR DATA | % CHANGE YEAR AGO | PREVIOUS MO./QTR DATA | CURRENT MO./QTR DATA | % CHANGE YEAR AGO | PREVIOUS MO./QTR DATA |
| Employment (000) | Sept | 583.8 | +0.5 | 580.1 | 101,861 | 2.3 | 101,638 |
| Unemployment rate (%) | Sept. | 8.[illegible] | [illegible] | 7.8 | 6.7 | -[illegible] | 6.9 |
| Nonagricultural employment (000) | Sept. | [illegible]20.8 | 1.2 | 532.6 | 98,675 | 3.5 | 97,935 |
| Personal income### ($Mil.) | Second | 32,827 | 6.5 | 35,262 | 2,380,083 | 6.8 | 2,359,817 |
| Housing units permitted | | | | | | | |
| Single | Sept. | 561 | +11.8 | 735 | 81,681 | 16.5 | 84,808 |
| Multi | Sept. | 267 | +[illegible] | 85 | 89,111 | 45.1 | 69,816 |

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Note: Selected data items subject to revision.
N Not available.
* 1972 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues with a period; bank discount basis.
## Monthly data seasonally adjusted.
### Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

# NEW MEXICO ECONOMIC INDICATORS

| | MO/QTR | CURRENT DATA | % CHANGE YEAR AGO | PREVIOUS MO/QTR DATA | % CHANGE# 12 MONTH AVERAGES |
|---|---|---|---|---|---|
| **1. GENERAL** | | | | | |
| Civilian labor force* (000) | Sept. | 690.7 | 1.4 | 683.2 | 3.0 |
| Total employment* (000) | Sept. | 621.8 | -0.5 | 585.1 | 2.6 |
| Unemployment* (000) | Sept. | 56.9 | 26.2 | 58.1 | 7.1 |
| Unemployment rate (%) | Sept. | 8.2 | 24.3 | 7.9 | 1.8 |
| Weekly new unemployment insurance claims | Sept. | 1188.0 | -12.1 | 1069.0 | -8.3 |
| Nonagricultural wage/salary employment**(000) | Sept. | 720.4 | 1.0 | 716.8 | 1.1 |
| New business incorporations | May | 286.0 | 7.7 | 238.0 | N |
| Personal income### ($ mil.) | Second | 35427.0 | 6.5 | 35092.0 | 7.4 |
| **2. AGRICULTURAL RECEIPTS** | | | | | |
| Livestock and products ($ mil.) | Dec. | 41.8 | -16.9 | 126.6 | N |
| Crops ($ mil.) | Dec. | 35.2 | 13.9 | 51.7 | N |
| Total ($ mil.) | Dec. | 77.1 | -3.1 | 197.8 | N |
| **3. MINING** | | | | | |
| Employment** (000) | Sept. | 19.1 | -5.0 | 19.8 | -3.8 |
| Average hourly earnings | Sept. | 11.6 | -1.6 | 11.9 | 3.9 |
| Petroleum production (000 bbls.) | August | 6563.1 | -1.0 | 6624.8 | 1.5 |
| Natural gas production (bil. cu. ft.) | August | 70.1 | -7.8 | 68.1 | 3.6 |
| Coal production (000 short tons) | Sept. | 1480.0 | -21.5 | 1595.0 | 5.9 |
| New oil wells drilled | Sept. | 55.0 | -26.6 | 83.0 | 11.3 |
| New gas wells drilled | Sept. | 56.0 | 22.3 | 103.0 | 22.1 |
| Total footage drilled*** (000) | Sept. | 690.7 | -15.2 | 1119.8 | 7.1 |
| Oil sales ($ mil.) | July | 153.2 | -11.6 | 149.1 | -5.6 |
| Gas sales ($ mil.) | July | 171.3 | -11.3 | 160.3 | 9.5 |
| **4. CONSTRUCTION** | | | | | |
| Employment** (000) | Sept. | 37.3 | -1.0 | 38.0 | -2.2 |
| Average hourly earnings | Sept. | 11.0 | 7.9 | 10.7 | 9.1 |
| Residential units permitted | Sept. | 818.0 | -18.1 | 806.0 | -19.7 |
| Residential building permits ($ mil.) | Sept. | 39.1 | -23.6 | 45.9 | -16.3 |
| Nonresidential building permits ($ mil.) | Sept. | 36.1 | -10.8 | 31.1 | 1.0 |
| Residential construction contracts ($ mil.) | Sept. | 52.7 | -13.1 | 68.6 | 7.1 |
| Nonresidential construction contracts ($ mil.) | Sept. | 59.5 | 14.9 | 69.7 | -2.9 |
| Nonbuilding construction contracts ($ mil.) | Sept. | 83.8 | -28.7 | 82.2 | -6.5 |
| **5. TRANSPORTATION/COMMUNICATION/UTILITIES** | | | | | |
| Employment** (000) | Sept. | 30.0 | -0.1 | 29.1 | 0.7 |
| Average hourly earnings## | Sept. | 11.3 | 7.1 | 11.2 | 5.2 |
| **6. MANUFACTURING** | | | | | |
| Employment** (000) | Sept. | 38.1 | 0.6 | 37.6 | 2.4 |
| Average hourly earnings | Sept. | 8.4 | 6.9 | 8.3 | 6.5 |
| Electric & electronic equipment employment** (000) | Sept. | 6.3 | -4.0 | 6.3 | 6.2 |
| Transportation equipment employment** (000) | Sept. | 4.0 | 14.3 | 4.0 | 10.7 |
| Food & kindred products employment** (000) | Sept. | 5.1 | 0.0 | 4.6 | 2.7 |
| Textile & apparel employment** (000) | Sept. | 2.4 | -4.0 | 2.3 | -8.1 |
| Lumber & wood products employment** (000) | Sept. | 2.6 | 4.0 | 2.7 | 2.4 |

# NEW MEXICO ECONOMIC INDICATORS (continued)

| | MO/QTR | CURRENT DATA | % CHANGE YEAR AGO | PREVIOUS MO/QTR DATA | % CHANGE# 12 MONTH AVERAGES |
|---|---|---|---|---|---|
| 7. TRADE | | | | | |
| Wholesale employment** (000) | Sept. | 22.2 | -1.3 | 22.3 | 0.4 |
| Retail employment** (000) | Sept. | 107.9 | 5.2 | 103.0 | 5.7 |
| Average hourly earnings | Sept. | 7.4 | 8.0 | 7.4 | 2.4 |
| 8. FINANCE/INSURANCE/REAL ESTATE | | | | | |
| Employment** (000) | Sept. | 26.8 | -4.3 | 26.8 | 0.9 |
| Bank average hourly earnings | Sept. | 6.6 | 3.8 | 6.5 | 3.5 |
| Bank total assets ($ mil.) | fourth | 8110.5 | 5.6 | 8105.8 | N |
| Bank total deposits ($ mil.) | fourth | 7041.5 | 8.1 | 7006.9 | N |
| Bank gross loans ($ mil.) | fourth | 5135.7 | 11.8 | 5141.9 | N |
| S & L total assets ($ mil.) | June | 4598.6 | 14.7 | 5571.3 | 12.4 |
| S & L total deposits ($ mil.) | June | 3868.6 | 18.0 | 4867.5 | 20.0 |
| S & L total loans closed ($ mil.) | June | 180.1 | 7.9 | 119.7 | 16.8 |
| 9. SERVICES AND LODGING## | | | | | |
| Total service employment** (000) | Sept. | 112.6 | 3.6 | 110.6 | 5.8 |
| Lodging employment** (000) | Sept. | 11.4 | 0.9 | 11.9 | 2.2 |
| Eating & drinking places employment** (000) | Sept. | 38.2 | 8.0 | 38.4 | 8.1 |
| Visits to state parks (000) | Sept. | 470.3 | +2.0 | 801.0 | 1.6 |
| Visits to national parks/monuments (000) | Sept. | 138.3 | -3.9 | 261.1 | -0.9 |
| Passenger traffic at Albuquerque airport@ (000) | Sept. | 295.1 | 7.5 | 186.1 | 12.3 |
| Lodgers tax receipts ($ 000) | | N | N | N | N |
| Lodging occupancy rates (%) | Sept. | 61.2 | -12.4 | 75.7 | -3.1 |
| 10. GOVERNMENT | | | | | |
| Total government employment** (000) | Sept. | 131.9 | 0.8 | 122.4 | 2.0 |
| Federal employment** (000) | Sept. | 29.6 | 0.7 | 30.3 | 1.1 |
| State employment** @@ (000) | Sept. | 47.0 | 1.1 | 41.8 | 3.2 |
| Local employment** (000) | Sept. | 55.3 | -0.9 | 50.3 | 1.4 |
| Total general fund revenues@@@ ($ mil.) | August | 105.3 | -0.5 | 119.9 | 2.2 |

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N Not available.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Oil and gas combined.
\# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1981 to June 1984 data versus the average of July 1984 to June 1985 data.
## Communications and utilities only.
### Quarterly data seasonally adjusted at annual rates.
@ Passenger traffic includes enplanements and deplanements.
@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.
@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Energy and Revenue Dept., Oil and Gas Accounting Division: Section 3;
New Mexico Taxation and Revenue Dept.: Section 8;
U. S. Dept. of Commerce, Bureau of the Census: Section 8;
F. W. Dodge Company [a division of McGraw Hill, Inc.]: Section 6;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

# CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

| | CURRENT 3-MONTH AVERAGE* JUL-SEP | % CHANGE FROM AVERAGE YEAR AGO | PREVIOUS 3-MONTH AVERAGE* APR-JUN |
|---|---|---|---|
| | $ | | $ |
| Alamogordo | 36,057 | 3.5 | 11,178 |
| Albuquerque | 220,435 | 6.8 | 207,980 |
| Artesia | 6,231 | 8.8 | 5,505 |
| Carlsbad | 13,926 | 2.4 | 12,984 |
| Clovis | 16,586 | -1.2 | 15,663 |
| Deming | 4,761 | -1.0 | 4,369 |
| Espanola | 8,985 | 6.4 | 7,335 |
| Farmington | 28,825 | 5.7 | 26,598 |
| Gallup | 10,361 | 1.0 | 10,632 |
| Hobbs | 24,757 | -1.1 | 25,940 |
| Las Cruces | 12,612 | -2.8 | 11,691 |
| Las Vegas | 6,076 | 3.5 | 5,869 |
| Los Alamos | 6,591 | 0.9 | 6,601 |
| Lovington | 5,102 | -14.2 | 5,067 |
| Portales | 5,035 | 11.0 | 5,796 |
| Roswell | 19,093 | -9.0 | 19,031 |
| Ruidoso | 7,697 | -3.2 | 8,454 |
| Santa Fe | 42,581 | 8.6 | 38,362 |
| Silver City | 8,381 | 12.9 | 6,698 |
| Taos | 8,309 | 9.2 | 6,065 |
| State total | 661,598 | 6.7 | 593,161 |

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\# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all cities.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

| | NUMBER OF BUILDING UNITS OR PERMITS * | | | | VALUE OF BUILDING PERMITS ($000) | | | |
|---|---|---|---|---|---|---|---|---|
| | SEPT. 1985 | SEPT. 1984 | CUMULATIVE TOTAL THROUGH SEPT. 1985 | CUMULATIVE TOTAL THROUGH SEPT. 1984 | SEPT. 1985 | SEPT. 1984 | CUMULATIVE TOTAL THROUGH SEPT. 1985 | CUMULATIVE TOTAL THROUGH SEPT. 1984 |
| RESIDENTIAL | | | | | | | | |
| Alamogordo | 26 | 21 | 198 | 361 | $ 1,362 | $ 781 | $ 8,717 | $ 10,809 |
| Albuquerque | 259 | 711 | 4,032 | 6,358 | 11,503 | 21,720 | 163,937 | 224,090 |
| Carlsbad | 7 | 12 | 58 | 108 | 290 | 603 | 2,823 | 5,121 |
| Clovis | 1 | 7 | 102 | 91 | 694 | 698 | 6,033 | 3,730 |
| Farmington | 9 | 6 | 105 | 138 | 757 | 502 | 3,797 | 5,405 |
| Hobbs | 1 | 4 | 33 | 94 | 55 | 219 | 2,061 | 3,704 |
| Las Cruces | 60 | 167 | 508 | 1,011 | 2,320 | 5,426 | 25,011 | 39,511 |
| Los Alamos | 6 | 3 | 89 | 154 | 937 | 262 | 7,999 | 7,265 |
| Rio Rancho** | 81 | 97 | 1,065 | 605 | 4,521 | 1,078 | 60,325 | 16,851 |
| Roswell | 7 | 9 | 80 | 150 | 691 | 687 | 4,834 | 2,056 |
| Ruidoso | 5 | 25 | 133 | 326 | 369 | 1,428 | 8,491 | 23,476 |
| Santa Fe | 41 | 29 | 439 | 985 | 2,216 | 1,807 | 21,133 | 41,283 |
| NONRESIDENTIAL | | | | | | | | |
| Alamogordo | 9 | 8 | 96 | 107 | 303 | 81 | 1,909 | 4,568 |
| Albuquerque | 9 | 41 | 273 | 336 | 14,479 | 23,369 | 108,692 | 99,567 |
| Carlsbad | 13 | 16 | 208 | 172 | 37 | 22 | 2,730 | 1,755 |
| Clovis | 6 | 2 | 59 | 60 | 137 | 11 | 4,886 | 2,943 |
| Farmington | 3 | 0 | 26 | 31 | 432 | 0 | 1,765 | 903 |
| Hobbs | 1 | 2 | 9 | 20 | 73 | 1,599 | 1,750 | 6,921 |
| Las Cruces | 12 | 22 | 185 | 247 | 2,560 | 617 | 17,011 | 10,095 |
| Los Alamos | 2 | 6 | 43 | 51 | 13 | 18 | 271 | 356 |
| Rio Rancho** | 1 | 3 | 56 | 21 | 210 | 1,098 | 7,829 | 1,673 |
| Roswell | 21 | 13 | 173 | 161 | 130 | 92 | 1,419 | 6,376 |
| Ruidoso | 3 | 9 | 63 | 95 | 82 | 731 | 6,013 | 9,598 |
| Santa Fe | 7 | 4 | 124 | 120 | 3,808 | 1,817 | 19,610 | 40,890 |

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Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** AMREP reported data.

Sources: AMREP, Inc.; Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

# CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(1000)

| | NEW MEXICO | | | ALBUQUERQUE, N.M.** | | | LAS CRUCES, N.M.*** | | |
|---|---|---|---|---|---|---|---|---|---|
| | SEPT.'85 | % CHANGE YEAR AGO | MO. AGO | SEPT.'85 | % CHANGE YEAR AGO | MO. AGO | SEPT.'85 | % CHANGE YEAR AGO | MO. AGO |
| TOTAL CIVILIAN LABOR FORCE | 690.0 | 1.4 | 694.2 | 348.3 | 1.1 | 349.2 | 94.5 | 2.1 | 94.8 |
| Employment*** | 661.8 | +0.2 | 668.1 | 334.2 | 0.6 | 335.6 | 91.1 | 1.8 | 92.0 |
| Unemployment | 28.2 | 29.1 | 26.1 | 14.1 | 13.0 | 13.6 | 3.4 | 13.9 | 2.8 |
| Unemployment Rate (%) | 4.1 | 28.1 | 3.8 | 4.1 | 11.8 | 3.9 | 3.6 | 15.9 | 3.0 |
| NONAGRICULTURAL WAGE & SALARY EMPLOYMENT | 560.9 | 1.0 | 570.2 | 314.3 | 1.0 | 315.8 | 83.2 | 3.5 | 83.8 |
| Mining | 19.2 | +7.9 | 19.8 | 0.8 | +14.3 | 0.8 | N | N | N |
| Contract Construction | 37.3 | +1.6 | 38.0 | 11.8 | 0.0 | 11.9 | 3.1 | 10.7 | 3.1 |
| Manufacturing | 38.2 | 0.0 | 37.6 | 19.4 | +1.0 | 19.6 | 4.1 | 10.8 | 4.1 |
| Durable goods | 24.9 | +1.2 | 24.8 | 12.9 | +2.4 | 13.0 | 2.8 | 7.7 | 2.8 |
| Nondurable goods | 13.3 | 1.5 | 12.8 | 6.5 | 3.0 | 6.6 | 1.3 | 15.4 | 1.3 |
| Transportation & public utilities | 30.0 | +0.7 | 30.3 | 15.3 | +0.7 | 15.4 | 3.1 | 0.0 | 3.1 |
| Trade | 126.3 | 0.3 | 127.3 | 71.1 | 0.4 | 71.6 | 19.1 | 0.5 | 19.2 |
| Wholesale | 25.6 | +3.1 | 25.8 | 11.0 | +1.7 | 11.1 | 2.8 | 0.0 | 2.8 |
| Retail | 100.7 | 0.7 | 101.5 | 60.1 | 0.2 | 60.5 | 16.3 | 0.6 | 16.4 |
| Finance, Insurance, & Real Estate | 27.8 | 0.4 | 28.0 | 13.6 | 0.0 | 13.7 | 3.5 | 0.0 | 3.5 |
| Services | 112.1 | 1.1 | 113.0 | 55.1 | 1.1 | 55.5 | 13.8 | 2.2 | 13.9 |
| Government | 151.0 | 3.4 | 152.0 | 90.8 | 4.4 | 91.4 | 29.8 | 7.2 | 30.0 |
| Federal | 29.0 | 3.1 | 29.1 | 11.2 | 3.7 | 11.2 | 2.8 | 1.8 | 2.8 |
| State | 47.5 | 2.8 | 47.8 | 17.3 | 2.8 | 17.4 | 11.8 | 4.4 | 11.9 |
| Local | 74.5 | 4.0 | 75.1 | 62.3 | 5.0 | 62.8 | 15.2 | 9.4 | 15.3 |

N Not available, less than 50 jobs
P Preliminary
R Revised

* Metropolitan County
** Bernalillo County
*** Dona Ana County

Sources: New Mexico Employment Security Department

# Countdown to the 1990 Census

Just when you thought that you had heard the last about the 1980 census, planning begins for the 1990 census. Although talk about the next census may seem premature, several important decisions must be made in advance, and the Census Bureau has designed a number of planning activities to solicit local input. The purpose of this article is to summarize some of the 1990 census planning activities. Future articles will provide more detailed information about the activities as well as progress reports.

Most of the 1990 census planning programs will be coordinated through the New Mexico State Data Center (SDC), which is not a single agency, but a consortium of state agencies and universities that are assisted by a network of local affiliates. This federal-state cooperative program was developed by the Census Bureau to improve the dissemination of census data and to assist data users in locating and using the data. Participation in pre-census planning activities is a new role for SDCs. Since planning for the 1980 census began in 1972 and the SDC program in 1978, the role of SDCs in the 1980 census was limited necessarily to the promotion and dissemination of data products. However, the past seven years have provided SDCs with the opportunities to gain experience in working with census data and to establish communications networks, assets which are recognized by the states and the Census Bureau as particularly valuable in planning for the 1990 census.

The following is an overview of 1990 census planning activities, not inclusive—just the highlights.

### Local Review Training and Technical Assistance

Introduced prior to the 1980 census, the Local Review Program is intended to improve the coverage of housing units in the decennial census by providing local governments with the opportunity to compare census counts of housing units with their own data on the housing inventory. Local review will consist of both pre- and post-census review in areas where a pre-census address list is available, or post-census review only for areas with no pre-census listing.

The Census Bureau will begin the1990 Local Review Program in early 1986 with announcements to the highest elected official of each governmental jurisdiction. Training will begin in 1987 with the first of two state-level workshops to train SDC and FSCPE (the cooperative program for population estimates, represented by BBER) staff, who will then conduct sub-state training sessions for local officials. The first workshop will focus on the preparation

of housing unit estimates and census geography; the second, on a review of the schedule and operations, i.e., how to submit a challenge, who to contact, etc. From the initial announcement in 1986 through the 1990 census, SDCs/FSCPEs will be available as a source of information and technical assistance to local officials.

**Complete-Count Committees**

Complete-Count Committees are a part of the promotion campaign for the 1990 census. By involving local officials and community leaders, the committees are designed to garner support for participation in the census through endorsements, appearances on local media, mailings and general distribution of promotional handouts.

**Geographic Areas Programs**

Participation in these programs is structured differently. Since the purpose of the geographic areas programs is to provide state and local input to the identification and delineation of census statistical areas, the participation of local governments is emphasized. In counties which are in the census tract program, Census Statistical Area Committees (CSACs) have been organized to provide local input to select geographic programs. For those counties which do not have CSACs, the Census Bureau is requesting that the governor designate an agency (usually the SDC) to participate in the program(s). Geographic areas programs include:

1) 1990 Redistricting Data Program

P.L. 94-171 provides for population counts by voting districts for those states participating in the redistricting program. There are two phases in this program. The first, currently underway, is the Block Boundary Suggestion Program, which provides participating states with the opportunity to align block boundaries with voting district boundaries. The second phase, scheduled for 1988 or 1989, involves the delineation of voting district boundaries on the Census Bureau's block-numbered maps.

2) Census Tract Program

CSACs are responsible for the review and delineation of census tracts and block groups (BGs) in the 11 counties which are tracted in New Mexico.

3) Block Number Area Program

The alternative to the Census Tract Program, for those counties which do not have tracts, is the Block Numbering Area (BNA) Program. At the request of the governor, the New Mexico SDC is responsible for assisting with the delineation of BNAs and their component BGs in the counties which are not tracted.

4) Census Designated Place (CDP) Program

CSACs are responsible for defining CDPs within their jurisdictions. Outside the tracted counties, the governor will be asked to designate an agency (probably the NMSDC) to define CDPs. This program is scheduled for later in the decade (probably 1987–1988) after base maps with block numbers are available.

*Lynn Wombold, Senior Demographer*

# NM General Fund . . .

(continued from page 1)

for growth in the energy-based taxes on both a price and production basis are quite remote.

Because of the great uncertainty associated with forecasting interest rates it would be foolish to count on interest earnings as a source of future revenue growth. Interest earnings are the product of interest rates and the corpus of the permanent fund, the severance tax income fund and other state cash balances. Both the permanent fund and the severance tax income fund grow primarily with oil and gas related taxes and royalties. Interest rates have fallen dramatically from their double-digit levels of the early 1980s. If inflation remains mild as expected, then interest rates should drop further.

Future growth in general fund revenues to finance public and higher education may thus depend upon the willingness of the state legislature to approve a tax increase.

*Brian McDonald, Director*

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